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May 15, 2025

Consolidated Financial Results for the Nine Months Ended March 31, 2025 (Under Japanese GAAP)



Company name: Rezil Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 176A
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and securities analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended March 31, 2025 (from July 1, 2024 to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
March 31, 2025	35,043	15.0	2,735	1.5	2,722	1.7	1,918	1.2
March 31, 2024	30,476	-	2,696	-	2,676	-	1,895	-

Note: Comprehensive income For the nine months ended March 31, 2025: ¥1,918 million [1.1%]
 For the nine months ended March 31, 2024: ¥1,897 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
March 31, 2025	102.51	98.67
March 31, 2024	104.20	-

- Notes: 1. As the Company did not prepare quarterly consolidated financial statements for the third quarter of the fiscal year ended June 30, 2023, year-on-year percentage changes for the third quarter of the fiscal year ended June 30, 2024 are not included herein.
2. On January 25, 2024, the Company carried out a 50-for-1 stock split of its common stock. The basic earnings per share take into account the effect of this stock split.
3. Diluted earnings per share for the third quarter of the fiscal year ended June 30, 2024 are not shown in the above table as the Company's shares were not listed as at the end of that period and thus the average share price over the period could not be determined, although there were potentially dilutive securities.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of			
March 31, 2025	27,511	9,714	35.2
June 30, 2024	17,519	8,331	47.4

Reference: Shareholders' equity

As of March 31, 2025:

¥9,689 million

As of June 30, 2024:

¥8,301 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2024	-	0.00	-	43.00	43.00
Fiscal year ending June 30, 2025	-	0.00	-		
Fiscal year ending June 30, 2025 (Forecast)				36.00	36.00

Notes: 1. Revisions to the forecast of cash dividends most recently announced: None

2. On January 25, 2024, the Company carried out a 50-for-1 stock split of its common stock. The annual dividends per share for the fiscal year ended June 30, 2024 take into account this stock split.

3. Breakdown of the year-end dividends for the fiscal year ended June 30, 2024:
Ordinary dividend of 33.00 yen, commemorative dividend of 10.00 yen

3. Consolidated financial result forecasts for the fiscal year ending June 30, 2025 (from July 1, 2024 to June 30, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	44,016	13.7	3,130	12.1	3,084	11.4	2,198	10.6	117.80

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
Newly included: - companies
Excluded: - companies
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: Yes
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

Notes on changes in accounting policies

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	18,932,050 shares
As of June 30, 2024	18,663,300 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	- shares
As of June 30, 2024	- shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2025	18,719,721 shares
Nine months ended March 31, 2024	18,195,000 shares

Note: On January 25, 2024, the Company carried out a 50-for-1 stock split of its common stock. The Company has calculated the total number of issued shares at the end of the period, number of treasury shares at the end of the period, and the average number of shares outstanding during the period based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Proper use of earnings forecasts, and other special matters

Forward-looking statements in this document, including performance forecasts, are based on information currently available to the Company and certain assumptions that it deems to be reasonable, and are not intended as a guarantee that the Company will achieve these projections. Actual performance may differ materially due to various factors.

(Method of obtaining supplementary materials on financial results)

Supplementary materials on financial results can be found on the Company's website, and is also disclosed on TDnet.

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the nine months ended March 31, 2025 (July 1, 2024 to March 31, 2025), the Japanese economy experienced a moderate recovery thanks to improvements in the employment and income environment and positive effects from various policies. However, there is a risk that the effects of continued rising prices on personal consumption through a downturn in consumer sentiment and the impact of policy trends in the U.S. including trade policies could put downward pressure on the Japanese economy. Moreover, due attention should be paid for impact from volatility in financial and capital markets.

In the energy industry in which the Company operates, the outlook remains uncertain due to the impact of the outbreak and prolongation of international conflicts and fluctuations in global demand for resources. From a long-term perspective, efforts aimed at green transformation (GX) are progressing.

Against this backdrop, based on the purpose to be “a unifying force, persistently tackling social challenges,” the Company set its mission to “make decarbonization effortless,” and have promoted each of its businesses to fulfill this mission.

As a result, net sales in the nine months ended March 31, 2025 were 35,043,428 thousand yen (up 15.0% year on year). In terms of profitability, gross profit was 6,444,637 thousand yen (up 11.1% year on year), operating profit was 2,735,742 thousand yen (up 1.5% year on year), ordinary profit was 2,722,098 thousand yen (up 1.7% year on year), and profit attributable to owners of parent was 1,918,886 thousand yen (up 1.2% year on year).

Operating results in each segment (before deductions for internal transactions) are as follows.

(Thousands of yen)

	Net sales	Segment profit (loss)	EBITDA
Distributed Energy Business	20,053,560	2,636,683	3,334,593
Green Energy Business	17,253,743	1,549,931	1,576,170
Digital Transformation Support Business	1,464,533	262,854	298,390
Adjustment (*)	(3,728,408)	(1,713,728)	(1,662,084)
Consolidated total	35,043,428	2,735,742	3,547,069

* The adjustment in net sales is the amount of inter-segment transactions (eliminations).

Internal transactions are mainly (1) transactions related to the supply and procurement of electricity between the Green Energy Business and Distributed Energy Business, and (2) the provision of electricity safety management services to high-voltage power receiving facilities for the Distributed Energy Business by the Digital Transformation Support Business, and so on.

* The adjustment in segment profit (loss) is the company-wide expenses that are not allocated to each reported segment (selling, general and administrative expenses that do not belong to reported segments).

*EBITDA is calculated by adding depreciation and amortization of goodwill to operating profit.

a. Distributed Energy Business

In the Distributed Energy Business, from the beginning of this consolidated fiscal year, the Company has engaged in full-scale activities to acquire new clients, with the emergency power reserve service for condominiums as the main product. However, in the same manner as the condominium bulk power purchasing service, the emergency power reserve service for condominiums requires a certain lead time from proposal to implementation. As such, current activities are centered on acquiring new clients for the condominium bulk power purchasing service which has been the main product until the previous fiscal year.

In the third quarter of this consolidated fiscal year, through purchasing condominium high-voltage bulk power purchasing services business from NTT Anode Energy Corporation (head office: Minato-ku, Tokyo, President & CEO: Teruyuki Kishimoto, hereinafter referred to as “NTT Anode Energy”), the current number of contracted households for the condominium bulk power purchasing service stands at 2,613 condominium buildings (244,978 households). In addition, the Company has started to provide the emergency power

reserve service for condominiums to 3 condominium buildings (447 households).

As a result, net sales in the segment stood at 20,053,560 thousand yen (up 24.4% year on year), and segment profit at 2,636,683 thousand yen (up 8.8% year on year).

b. Green Energy Business

In the Green Energy Business, the Company offers an electricity retail service mainly for corporate customers, predominantly using renewable energy. Sales activities are centered on products such as variable market rate plans. Moreover, as part of initiatives to expand use of renewable energy, the Company has set a target to increase the ratio of renewable energy supplied to customers through the electricity retail service to 100% by 2030. Its policy is to promote activities to achieve this target, including efforts to improve customer understanding.

In the nine months ended March 31, 2025, it contributed to the performance that the electricity sales volume in the three months ended September 30, 2024 were increased due to the summer heat wave, as well as the number of contracts including variable market rate plans changed steadily. As of the end of the nine months under review, the number of contracts stood at 7,376. The ratio of renewable energy in the electricity supplied through these contracts reached 100% in the third quarter of this consolidated fiscal year.

As a result, net sales in the segment stood at 17,253,743 thousand yen (up 3.2% year on year), and segment profit at 1,549,931 thousand yen (up 22.6% year on year).

c. Digital Transformation Support Business

In the Digital Transformation Support Business, the Company offers an outsourcing service (DX support service) for various back-office operations, including fee billing and collection, response to inquiries, and call center operations, with energy-related companies as its main customers.

In the nine months ended March 31, 2025, in addition to continuing with outsourcing operations for existing energy company customers, the Company expanded contracts including business operation of new regional electric power companies in which municipalities have invested. As of the end of the nine months under review, the number of end users (to which the Company indirectly provides services) through these energy company customers stood at 465,000.

As a result, net sales in the segment stood at 1,464,533 thousand yen (up 4.1% year on year), and segment profit at 262,854 thousand yen (down 12.8% year on year).

(2) Explanation of Financial Position

1) Status of Assets, Liabilities, and Net Assets

a. Assets

Current assets as of the end of the nine months under review were 13,699,978 thousand yen, an increase of 2,380,664 thousand yen from the end of the previous fiscal year. This was mainly due to a decrease in cash and deposits of 1,714,070 thousand yen and an increase in accounts receivable-trade, and contract assets of 4,120,980 thousand yen.

Non-current assets as of the end of the nine months under review were 13,811,952 thousand yen, an increase of 7,611,801 thousand yen from the end of the previous fiscal year. This was mainly due to increases in machinery and equipment of 5,182,215 thousand yen and goodwill of 2,105,157 thousand yen.

As a result, total assets as of the end of the nine months under review stood at 27,511,931 thousand yen, an increase of 9,992,465 thousand yen from the end of the previous fiscal year.

b. Liabilities

Current liabilities as of the end of the nine months under review were 8,434,645 thousand yen, an increase of 1,771,608 thousand yen from the end of the previous fiscal year. This was mainly due to an increase in accounts payable - trade of 1,468,553 thousand yen.

Non-current liabilities as of the end of the nine months under review were 9,362,981 thousand yen, an increase of 6,838,161 thousand yen from the end of the previous fiscal year. This was mainly due to an

increase in long-term borrowings of 6,963,062 thousand yen.

As a result, total liabilities as of the end of the nine months under review stood at 17,797,627 thousand yen, an increase of 8,609,770 thousand yen from the end of the previous fiscal year.

c. Net assets

Net assets as of the end of the nine months under review were 9,714,304 thousand yen, an increase of 1,382,695 thousand yen from the end of the previous fiscal year. This was mainly due to the recording of a profit attributable to owners of parent.

As a result, equity ratio stood at 35.2% (47.4% as of the end of the previous fiscal year).

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The full-year consolidated financial results forecast announced by the Company on August 14, 2024 remains unchanged, as performance in the nine months under review remained in line with the forecast and the Company does not expect any major changes in the business environment compared to the assumptions made at the beginning of the fiscal year.

2. Quarterly Consolidated Financial Statements and Principal Notes
(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of June 30, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	4,758,708	3,044,637
Accounts receivable-trade, and contract assets	6,167,806	10,288,787
Inventories	54,781	49,824
Consumption taxes refund receivable	16,083	-
Other	385,062	372,533
Allowance for doubtful accounts	(63,128)	(55,803)
Total current assets	11,319,314	13,699,978
Non-current assets		
Property, plant and equipment		
Buildings	347,590	361,631
Accumulated depreciation	(45,161)	(58,841)
Buildings, net	302,429	302,789
Machinery and equipment	7,384,846	13,101,103
Accumulated depreciation and impairment	(3,967,698)	(4,501,739)
Machinery and equipment, net	3,417,147	8,599,363
Land	251,389	259,429
Leased assets	4,382,663	3,416,740
Accumulated depreciation and impairment	(3,836,820)	(3,253,498)
Leased assets, net	545,843	163,241
Construction in progress	44,382	128,556
Other	485,207	547,841
Accumulated depreciation and impairment	(200,183)	(274,443)
Other, net	285,023	273,398
Total property, plant and equipment	4,846,215	9,726,779
Intangible assets		
Software	182,992	122,765
Goodwill	-	2,105,157
Other	52,165	57,159
Total intangible assets	235,158	2,285,082
Investments and other assets		
Investment securities	236,056	236,056
Deferred tax assets	214,171	906,673
Deposit	636,908	637,777
Other	31,641	19,583
Total investments and other assets	1,118,776	1,800,090
Total non-current assets	6,200,150	13,811,952
Total assets	17,519,465	27,511,931

(Thousands of yen)

	As of June 30, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	2,562,081	4,030,635
Current portion of long-term borrowings	1,553,284	2,245,524
Accounts payable - other	658,429	725,322
Deposits received	458,827	491,716
Lease liabilities	197,345	122,959
Income taxes payable	779,465	288,002
Provision for bonuses	71,988	-
Other	381,613	530,484
Total current liabilities	6,663,036	8,434,645
Non-current liabilities		
Long-term borrowings	2,241,706	9,204,768
Lease liabilities	239,724	150,818
Other	43,389	7,395
Total non-current liabilities	2,524,820	9,362,981
Total liabilities	9,187,856	17,797,627
Net assets		
Shareholders' equity		
Share capital	358,501	494,160
Capital surplus	1,242,192	1,377,852
Retained earnings	6,701,192	7,817,557
Total shareholders' equity	8,301,887	9,689,570
Share acquisition rights	29,721	24,734
Total net assets	8,331,608	9,714,304
Total liabilities and net assets	17,519,465	27,511,931

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

Nine Months Ended March 31

(Thousands of yen)

	For the nine months ended March 31, 2024	For the nine months ended March 31, 2025
Net sales	30,476,744	35,043,428
Cost of sales	24,677,430	28,598,791
Gross profit	5,799,313	6,444,637
Selling, general and administrative expenses	3,102,913	3,708,894
Operating profit	2,696,399	2,735,742
Non-operating income		
Interest income	516	2,723
Rental income from real estate	3,022	6,259
Subsidy income	21,192	273
Outsourcing service income	1,379	2,702
Contribution for construction	-	5,453
Cancellation penalty	-	18,323
Other	1,761	9,012
Total non-operating income	27,872	44,746
Non-operating expenses		
Interest expenses	26,044	48,990
Foreign exchange losses	940	446
Commission expenses	4,479	3,867
Other	16,313	5,087
Total non-operating expenses	47,777	58,391
Ordinary profit	2,676,494	2,722,098
Extraordinary income		
Gain on sale of non-current assets	1,654	-
Total extraordinary income	1,654	-
Extraordinary losses		
Loss on retirement of non-current assets	12,091	-
Loss on sale of shares of subsidiaries and associates	9,120	-
Total extraordinary losses	21,212	-
Profit before income taxes	2,656,936	2,722,098
Income taxes - current	750,729	672,325
Income taxes - refund	-	(12,645)
Income taxes - deferred	8,925	143,531
Total income taxes	759,654	803,211
Profit	1,897,282	1,918,886
Profit attributable to non-controlling interests	1,418	-
Profit attributable to owners of parent	1,895,863	1,918,886

Quarterly Consolidated Statement of Comprehensive Income

Nine Months Ended March 31

(Thousands of yen)

	For the nine months ended March 31, 2024	For the nine months ended March 31, 2025
Profit	1,897,282	1,918,886
Comprehensive income	1,897,282	1,918,886
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,895,863	-
Comprehensive income attributable to non-controlling interests	1,418	-